

10

37032

# THE EQUITABLE LIFE ASSURANCE SOCIETY

Founded 1762

28/1



---

## ANNUAL REPORT AND ACCOUNTS

1 9 8 5

---

Notice is hereby given that the 224th Annual General Meeting of The Equitable Life Assurance Society will be held at the registered office of the Society, 4 Coleman Street, in the City of London, on Wednesday afternoon, 21 May 1986 at 12.30 pm, when the business of the meeting will be as follows:

- 1 To receive and consider the report of the Directors and the statement of accounts for the year ended 31 December 1985, together with the report of the Auditors thereon
- 2 To elect Directors in place of those retiring
- 3 To reappoint the Auditors

By order of the Board

**E B O Sherlock**  
General Manager and Actuary

21 April 1986

Only members are entitled to attend the meeting. Members may vote only in accordance with the Society's Articles of Association.

---



# THE EQUITABLE LIFE ASSURANCE SOCIETY

Founded 1762

## Board of Directors

### *President*

D L Murison MBE

### *Vice Presidents*

A G Tritton

Professor Roland Smith

T G Abell

W T J Griffin

P Martin

Sir Ashley Ponsonby Bt MC

R H Ranson

J R Sclater

E B O Sherlock

C S Wates

K B Wills

---

## General Management

### *General Manager*

E B O Sherlock

### *Assistant General Managers*

R Q Bowley

A Nash

R H Ranson

D C Thomas

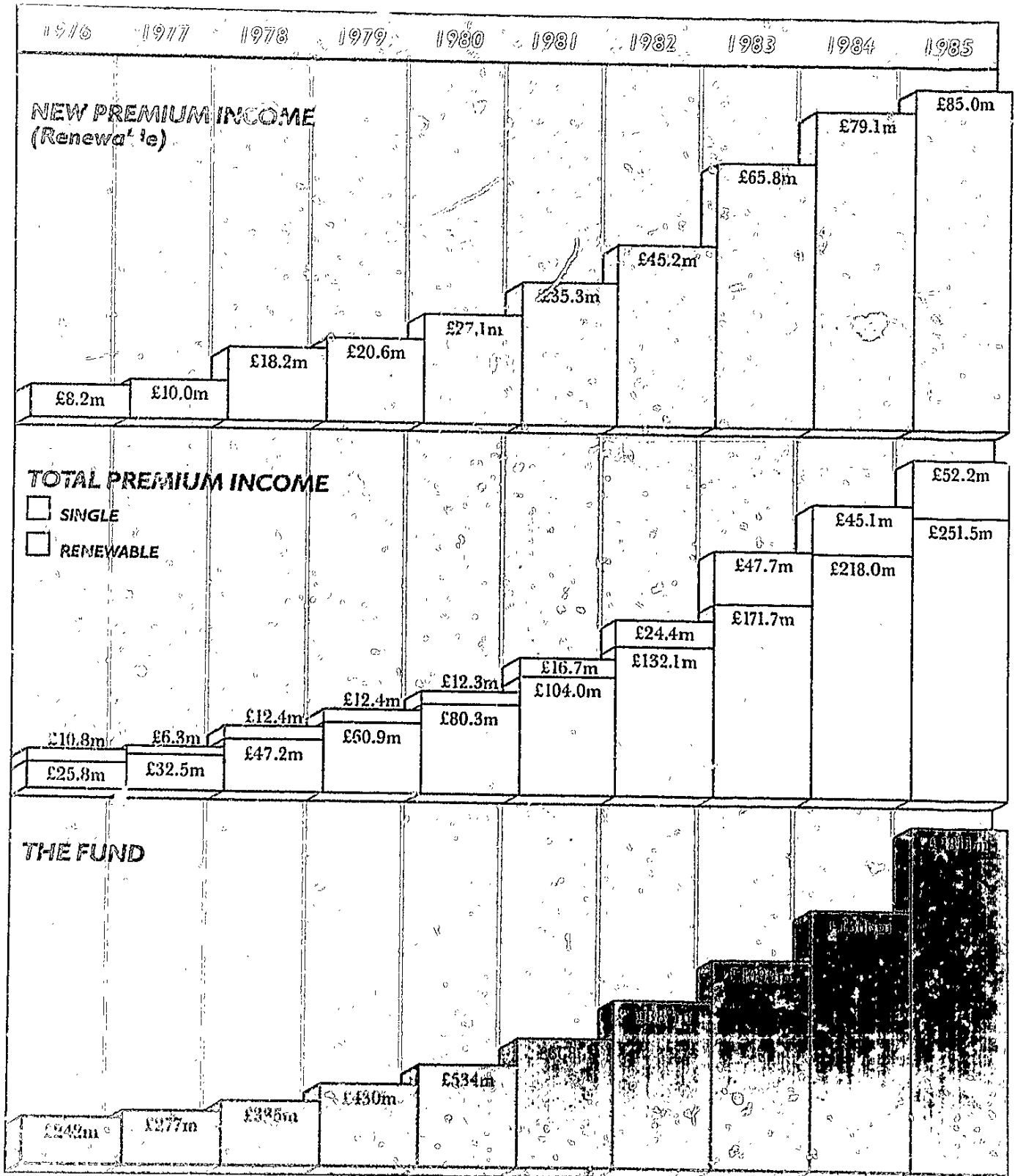
K B Wills



## Highlights of the year

	1985
MARKET VALUE OF INVESTED ASSETS	£2,213,061,686
INCREASE IN FUNDS	£144,171,374
PAYMENTS UNDER POLICIES	£111,702,934
TOTAL PREMIUM INCOME	£303,661,474
POLICYHOLDERS NEW TO THE SOCIETY	23,246
NEW PREMIUM INCOME	£137,191,523

# Growth over ten years



## President's Statement

After the Annual General Meeting I will be retiring from the Presidency and the Board. So, in preparing this statement, I have looked back at the records for 1958, when I became a Director, and confirmed my recollection that, although the Society had a high reputation within the industry for the quality of its products, it was then known to relatively few members of the public. Now, our comprehensive and competitive range of products and services is known to a large and increasing number of discerning professional and business people, and receives constant acclaim in the press. We attracted over 23,000 new policyholders in 1985.

The following figures show the Society's growth over the last 27 years.

	1958	1985
Fund at the end of the year	£33.5m	£181.1m
Total premium income	£ 3.0m	£304m
New renewable premium income	£ 0.4m	£85m

During that time the retail price index multiplied about 8 times.

Today the Society is an up-to-date dynamic organisation having one of the finest insurance company administrative centres in the country. In terms of new regular premiums it now ranks in the top six life insurance companies for U.K. business. Despite such outstanding growth, and the impact of inflation over the period, expenses have been kept well under control. The ratio of expenses to total premium income in 1985, as in recent years, was below 10% - which is about half the average ratio of our competitors. The Society's long-established reputation for economical operation remains the envy of other life companies.

Although we do not pay commission for introductions, a great deal of business comes to us from professional intermediaries, who appreciate the high quality of products and the service for which we are renowned. We are grateful to them for their encouraging support. To improve the immediacy of service to clients generally, we opened branch offices in 1985 in Brighton, Guildford and Sheffield, making a total of 26 situated throughout the United Kingdom, as against the 6 we had in 1958.

NEW RENEWABLE PREMIUM INCOME			
Class of Business	1985 £m	1984 £m	Change in 1985 %
Individual policies	13.3	15.5	+20
Group pensions	14.7	12.5	+18

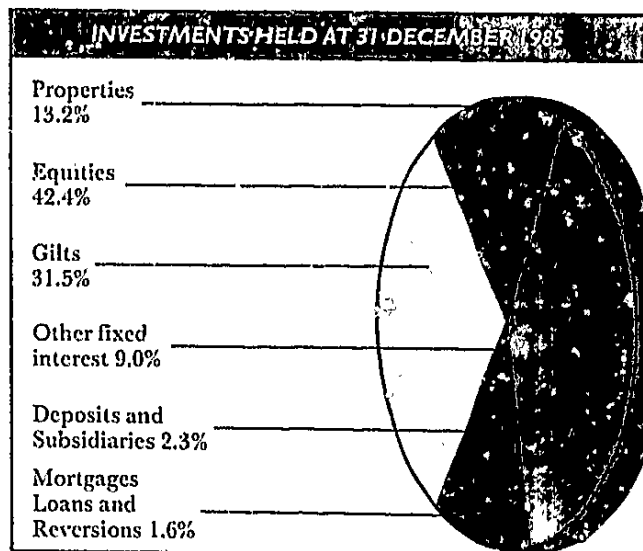


In common with virtually all companies, we experienced a reduction in the number of ordinary life assurance policies sold in 1985, following the abolition of life assurance premium relief in the 1984 Budget. Nevertheless, some £1,111m of sums assured were underwritten overall. The development of our unit-linked business went well in 1985, accounting for approximately 11% of total new premium income, against less than 5% in 1984.

Growth in premium income under group pension voluntary contribution plans was well maintained in 1985; since the end of the year, the Society has written its 1,000th plan, many of which are with the country's leading companies. This growth contributed to a substantial increase in the volume of group pensions business as a whole.

The market value of the Society's assets at the year-end exceeded £2 billion for the first time and, although payments to policyholders continued to grow, so did the investible funds. As in 1984, approximately one-third of that increase in investible funds was committed to fixed interest stocks, whilst another third was invested in equities, almost entirely in the U.K. This was done in the light of the prospects for continuing economic growth, further modest falls in the inflation rate and a consequent reduction in the level of interest rates from that which has obtained in recent years. It was nevertheless considered appropriate on longer term considerations, and in the light of yields available, to invest the balance of new money in property and index-linked Gilts.

In the six new unit trusts launched at the end of 1984, emphasis was placed on developing sound portfolios for the achievement of the high performance which we seek for the longer term. We had nearly £72m under unit trust management at the end of 1985.



As is shown in the Accounts, £125m has been transferred from the investment reserve to supplement the surplus arising from ordinary revenue. The total return on invested funds since the last declaration of bonus at the end of 1982 was high, and it was clear that a further increase of some sort in bonus rates was appropriate. In considering the form of the increase, the investment implications of alternatives are important. Since reversionary bonuses, once declared, are fully guaranteed, they need to be backed by fixed interest investments, such as gilts; but we believe that it is in the best interests of members that we should be able to invest extensively in equities and properties. With that background it was a question of deciding what proportion of the increase, if any, should be allocated as reversionary bonus. The problem is one of balance. After very careful consideration, your Directors decided that we should maintain the high reversionary bonus level declared three years ago and adopt significantly higher terminal bonus rates for 1986.

The Social Security Bill published in January will provide a new opportunity in the field of personal pensions where the Society is a market leader. We have an outstanding record over the long term for payments under 'with-profits' pension arrangements for the self-employed, directors, executives, and those in non-pensionable employment. The size of the personal pensions market, scarcely recognised in 1958, is large and still relatively unsatisfied; it will be further enlarged if the proposed legislation goes through Parliament. Our range of very flexible personal pension contracts was enhanced still further during 1985 by the introduction of new unit-linked policies. Comment of late has rightly condemned the widespread practice of deducting high charges from contributions to such policies in the early years, as well as the alternative approach of issuing 'capital' or 'initial' units where very heavy charges are levied against those units each and every year. The Society's policies have no such impositions.

Another area specifically encouraged by the Social Security Bill is that of Additional Voluntary Contribution plans where the Society is the acknowledged market leader.

The Financial Services Bill, designed to protect the investor, was published shortly before Christmas and its impact on the City as a

whole will be considerable. The Society will remain alert to any changes needed in its investment procedures arising, for example, from the abandonment of single capacity in the Stock Exchange. In common with other companies, we are concerned to ensure that the costs of obtaining 'best execution' in investment dealings, and of financing the machinery of self-regulation, will not be an undue burden on investors in general and policyholders in particular. The place of the Society in the financial services industry as these developments take effect is under examination.

Like me, Sir Ashley Ponsonby, having attained age 65, is not seeking re-election. Sir Ashley, who joined the Board in 1969, has been a Vice-President and Chairman of the Investment Committee – the field in which he has contributed so much wisdom and wide experience. I pay tribute to his most valuable service. Two of the Society's Assistant General Managers, Mr Bernard Coodie and Mr Howard Johnson, retired during 1985. Both contributed greatly to the progress of the Society. Mr John Selater, a banker, who is Deputy-Chairman of Guinness Mahon and Co. Ltd and holds a number of non-executive posts in the financial field, was appointed a Director in November last, and I warmly recommend his re-election. The Directors have indicated their intention to elect Professor Roland Smith as the Society's next President, and there can be no doubt that the Society will be fortunate indeed to have the benefit of his wide commercial knowledge and experience.

By making some comparison with 1958, when I joined the Board, I claim no credit for the startling growth since that year in the Society. That belongs to my predecessors as President, to the Board, and, above all, the management and staff. It has been a privilege and a pleasure for me to work with them in serving your interests. I have the greatest confidence that policyholders and the Society are in good hands.

*R. Munro*

*R. Munro*

2 April 1986

INCOME	
Single premiums	£52.2m
Renewable premiums	£251.5m
Investment income	£149.5m
Change in value of linked assets	£11.1m
Capital appreciation treated as surplus	£125.0m

EXPENDITURE	
Payments under policies	£111.7m
Expenses of management	£29.2m
Taxation	£4.3m
Balance added to the fund	£44.1m

## Directors' Report for 1985

### PRINCIPAL ACTIVITY

The Society's principal activity is the transaction of life assurance, annuity and pension business in the form of guaranteed, participating and unit-linked contracts.

### FINANCIAL RESULTS

The surplus of income over expenditure exceeded £300m for the first time. Ignoring the accounting changes referred to in note 3 to the Accounts, the increase over the corresponding figure for 1984 was 15.0%. Exceptional increases occurred in ordinary share income up 28.6% (before adjustment) and property income up 44.9%. The increase of 22.6% in payments to policyholders reflected partly natural growth in the business and partly the higher terminal bonus rates which applied in 1985.

### BONUS DECLARATION

In accordance with the Society's Articles and Insurance Company Legislation, the Society's Appointed Actuary carried out a valuation of the assets and liabilities of the Society as at 31 December 1985. In the light of his report the Directors decided that £125m of capital appreciation should be transferred from reserves and added to the surplus of £117m revealed by the valuation, making a total of £242m. Of that sum, £238m was distributed to policies as declared bonuses.

Notices of bonus additions have been sent to individual holders of policies entitled to participate in the bonus distribution. The Directors also decided that there should be a general increase in terminal bonus rates with effect from 1 January 1986. The Directors have decided that in future a valuation to determine surplus should be undertaken, and bonus should be declared, at yearly intervals.

### DIRECTORS

The Directors of the Society throughout the year were as recorded on page 1 except that Mr J R Selater was not appointed a Director until 27 November 1985.

In accordance with Regulation 40 of the Society's Articles of Association Mr Selater retires at the Annual General Meeting but is eligible for re-election.

The three Directors retiring at the Annual General Meeting in accordance with Regulation 34 of the Articles of Association are Mr W T J Griffin, Mr D L Murison and Sir Ashley Ponsonby and they are eligible for re-election.

Mr Griffin offers himself for re-election, but Mr Murison and Sir Ashley Ponsonby do not seek re-election.

### STAFF

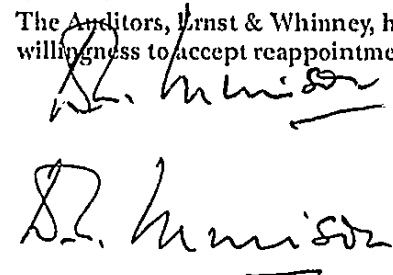
The average number of persons employed by the Society and its subsidiaries within the United Kingdom in each week of 1985 was 1041 (1984 - 958) including 43 (1984 - 41) household staff, mainly part-time, at the Society's investment properties. The aggregate remuneration paid or payable during the year was £13,602,672 (1984 - £11,788,795).

In relation to the employment of disabled persons the Society's policy in 1985 was to give the same consideration to disabled people as to other people, in regard to applications for employment, continuation of employment, training, career development and promotion - having regard to their particular aptitudes and abilities.

During 1985 it was the Society's continuing policy and practice to involve staff by providing and receiving information relevant to the progress, development and performance of the organisation. Matters of concern to staff as employees were communicated through briefing by managers, a system of written circulars, a Staff Handbook and training courses. Consultation with staff on matters affecting the interests of staff and the general efficiency of the Society took place in various ways; one of these was through the elected staff representatives on a staff consultative committee which met on six occasions in the year. As a mutual company the Society has no employees' share scheme in force.

### AUDITORS

The Auditors, Ernst & Whinney, have signified their willingness to accept reappointment to office.



President  
26 March 1986





# THE EQUITABLE LIFE ASSURANCE SOCIETY

Founded 1762

---

## FINANCIAL ACCOUNTS

1 9 8 5

---

# Long Term Revenue Account

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1985

	£m	1985 £m	£m	1984 £m
<b>INCOME</b>				
Premiums (net of refunds and reinsurance ceded)		303.7		263.1
<b>INVESTMENT INCOME</b>				
Government, public and local authorities	69.4		57.3	
Other fixed interest	20.1		19.1	
Ordinary shares (note 3a)	38.7		26.2	
Properties	14.2		9.8	
Mortgages, loans and reversions	3.2		2.9	
Short-term deposits	3.2		1.0	
Subsidiary companies	0.7	149.5	0.4	116.7
		453.2		379.8
<b>EXPENDITURE</b>				
Payments under policies	111.7		91.1	
Commission	Nil		Nil	
Expenses of management	29.2		24.7	
Taxation	4.3	145.2	2.7	118.5
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>		308.0		261.3
Change in value of linked assets (note 3b)		11.1		5.8
Appreciation in value of investments treated as surplus		125.0		-
<b>NET ADDITION TO THE FUND</b>		444.1		267.1
<b>FUND AT THE BEGINNING OF THE YEAR</b>		1366.5		1099.4
<b>FUND AT THE END OF THE YEAR</b>		1810.6		1366.5

# Balance Sheet

AS AT 31 DECEMBER 1985

	£m	1985 £m	£m	1984 £m
<b>LONG TERM BUSINESS FUND</b>		<b>1810.6</b>		<b>1366.5</b>
<i>Represented by:</i>				
<b>INVESTED ASSETS AT MARKET VALUE</b>				
Government, public and local authorities		696.8		567.6
Other fixed interest		198.3		186.0
Ordinary shares		938.6		746.9
Properties		292.0		252.4
Mortgages, loans and reversions		36.4		33.8
Short-term deposits		48.1		16.0
Subsidiary companies		2.9		3.0
		<b>2213.1</b>		<b>1805.7</b>
<i>Less: Reserve</i>		<b>435.8</b>		<b>466.8</b>
		<b>1777.3</b>		<b>1338.9</b>
<b>CURRENT ASSETS</b>				
Sundry debtors	7.9		7.9	
Outstanding sales of investments	6.0		20.6	
Accrued income, less taxation	30.3		19.7	
Tax recoverable	29.6		25.0	
Balance at bankers and cash	2.8		3.6	
	<b>76.6</b>		<b>76.8</b>	
<i>Less:</i>				
<b>CURRENT LIABILITIES</b>				
Sundry creditors and provisions	15.1		15.7	
Outstanding purchases of investments	26.6		31.9	
Due to subsidiary companies	1.6		1.6	
	<b>43.3</b>		<b>49.2</b>	
		<b>33.3</b>		<b>27.6</b>
		<b>1810.6</b>		<b>1366.5</b>

D L Murison  
President

A G Tritton  
Vice-President

E B O Sherlock  
General Manager and Actuary

26 March 1986

# Notes on the Accounts

## 1 BASES OF ACCOUNTING

(a) The Society, which is a mutual life assurance company carrying on ordinary long-term insurance business, avails itself of the exemptions from the disclosure requirements applicable to insurance companies under Section 258 Companies Act 1985.

(b) The Department of Trade has:

(i) directed that the provisions of Paragraph 19(4) of the ninth Schedule of the Companies Act 1985, which relate to information required to be given where group accounts are not submitted, shall not apply.

(ii) agreed that a composite Revenue Account and Income and Expenditure Account may be prepared instead of separate accounts on the grounds that these accounts would, in effect, be identical.

(c) The attributable profits and reserves of associated companies are only included in the Society's accounts to the extent of dividends receivable since, in the opinion of the Directors, to do otherwise would be inconsistent with the foregoing and also have no significant consequence.

## 2 ACCOUNTING POLICIES

(a) Premium income is accounted for in the year to which it relates on a cash basis in respect of recurrent single premium pension business and on an accruals basis in respect of all other business.

(b) Investment income is included on an accruals basis; dividends on ordinary shares being calculated by reference to ex-dividend dates; income on fixed interest investments is adjusted for accrued interest included in purchases and sales. (see 3a)

(c) Claims notified in any year are included in the accounts whether or not they have been paid.

(d) Expenses of management including expenditure on office equipment, fixtures and fittings are written off as incurred. Expenditure on motor cars and on an owned computer installation is deferred and amortised over two and five years respectively, and included in sundry debtors in the balance sheet.

(e) Invested assets are stated at market values. Listed securities are based on middle market prices, adjusted for accrued income together with the value of outstanding calls; properties are valued annually by qualified surveyors, some of whom are executives of the Society; all other investments are at Directors' valuation.

(f) Changes in the market value of linked assets are reflected in the Fund annually. (see 3b)

(g) The assets and liabilities of the Long-Term Business Fund are valued triennially by the Society's Appointed Actuary to determine any surplus arising. When any appreciation in value of investments is treated as surplus, it is included as an addition to the Fund in the Revenue Account.

(h) Realised and unrealised profits and losses on invested assets and transfers to and from the Revenue Account, including changes in the value of linked assets, are dealt with through the Investment Reserve.

## 3 ACCOUNTING CHANGES

(a) Prior to 1985 investment income on ordinary shares was only included if receivable at or prior to the year end rather than by strict reference to ex-dividend date. The use of the ex-dividend date for calculation of this income has increased 1985 earnings by £5.0m.

(b) Prior to the triennium ended 31 December 1982 no adjustment was made in the Fund for changes in value of linked assets. To account for this situation the total change in market value of linked assets for the period up to 31 December 1982 has been included in the 1985 Accounts. This has resulted in the change in value of linked assets being increased by £2.9m.

## 4 EMOLUMENTS OF DIRECTORS

	1985	1984
	£	£
Fees	61,017	50,250
Other emoluments, including pension contributions of £49,420 (1984 - £44,984)	233,676	202,829
<b>Emoluments, excluding pension contributions, of the</b>	<b>294,693</b>	<b>253,079</b>
President	12,438	10,750
Highest paid Director	72,427	64,000
Number of other Directors with emoluments in the bands specified		
Up to £5,000	2	2
£5,001 - £10,000	6	5
£10,001 - £15,000	-	1
£15,001 - £20,000	1	-
£20,001 - £25,000	-	1
£25,001 - £30,000	1	-

# Notes on the Accounts

## 5 EMOLUMENTS OF STAFF (in excess of £30,000)

Number of employees with emoluments (including performance-related bonuses) in the bands specified

	1985	1984		1985	1984
£30,001 – £35,000	24	20	£55,001 – £60,000	1	1
£35,001 – £40,000	17	13	£60,001 – £65,000	2	3
£40,001 – £45,000	6	11	£65,001 – £70,000	1	–
£45,001 – £50,000	8	6	£75,001 – £80,000	1	1
£50,001 – £55,000	2	2			

## 6 DISCLOSURE OF TRANSACTIONS INVOLVING DIRECTORS AND OTHER OFFICERS DURING THE YEAR AS REQUIRED BY THE COMPANIES ACT, 1985

(a) Directors – Each director who is also an executive has been allowed to have loans, either secured on that director's main residence or secured on policies with the Society, on the same terms and conditions as those available to the Society's employees. Other directors can have loans secured on policies with the Society on the same terms and conditions as apply to such loans made in the ordinary course of business.

Loans secured on the main residence

	Liability			
	Outstanding at 31 December		Maximum	Average interest
	1985 £	1984 £	1985 £	1985 %
R H Ranson (appointed a Director of the Society on 1 January 1985.)	31,600	20,576	31,600	3.8
E B O Sherlock	9,675	9,675	9,675	3.5
K B Wills	20,000	20,000	20,000	3.5

There was no outstanding interest nor were any reserves made with regard to any of these loans at the end of the year and there are no other transactions in which any director has a material interest.

(b) Officers – At 31 December 1985 there were loans outstanding to 29 officers secured on a main residence or on a policy with the Society amounting in aggregate to £982,542 together with 3 individual loans under the staff season ticket scheme totalling £1,522.

## 7 AUDITORS REMUNERATION

The remuneration of the auditors was £42,150 (1984 – £35,200).

## 8 TAXATION

The charge for taxation in the Revenue Account represents:

(a) Corporation tax due on unfranked investment income (including accrued interest) and gains less expenses, but excluding that part of the income and gains applicable to pension business.

(b) Corporation tax due on estimated annuity profits.

recoverable tax credits on franked invested income.

	1985 £m	1984 £m
Corporation tax at the rate of 37.5%	1.2	1.3
Less double taxation relief	0.5	0.6
	0.7	0.7
Tax credits irrecoverable	2.4	2.3
Foreign tax	0.5	0.6
	3.6	3.6
Adjustments in respect of earlier years	0.7	(0.9)
	4.3	2.7

The taxation recoverable included in current assets is the excess of tax suffered at source on income over corporation tax, based on the accounts for the years 1984 and 1985. No provision has been made for the contingent liability to corporation tax on chargeable gains in respect of unrealised appreciation of investments which is estimated not to exceed £11m (1984 – £16m).

# Notes on the Accounts

## 9 SUBSIDIARY COMPANIES

The Society owns the whole of the issued share capital of its subsidiaries, which are all registered in England.

	Equity at book value	Current a/c and loans	Equity at book value	Current a/c and loans
	1985	1985	1984	1984
	£m	£m	£m	£m
University Life Assurance Society	1.0	-	1.0	-
The Reversionary Interest Society Limited	0.4	(0.4)	0.4	(0.4)
The Equitable Reversionary Interest Society Limited	0.2	(0.5)	0.2	(0.5)
Equitable Units Administration Limited	0.1	-	0.1	-
Percy Street Investments Limited	0.2	(0.7)	0.2	(0.7)
	1.9	(1.6)	1.9	(1.6)

## 10 INVESTMENT IN OTHER COMPANIES

The Society, together with a subsidiary company, held at 31 December 1985 more than one-tenth in nominal value of a class of equity shares in the following companies together with indebtedness as shown:

	Class of Shares	Proportion held	Proportion of total equity	Debentures
English and International Trust PLC	Ordinary	23.2%	23.2%	£0.4m
Mortimer Technology Limited	Ordinary	22.5%	22.5%	-
Fleming Enterprise Investment Trust PLC	Ordinary	16.9%	16.9%	-
Jos Holdings PLC	Ordinary	11.0%	11.0%	-
A Collier & Co PLC	'A' Ordinary	10.7%	5.5%	-
The Bankers Investment Trust PLC	Ordinary	10.6%	10.6%	-

## 11 CAPITAL EXPENDITURE

The Society has commitments for capital expenditure on property estimated at £7.7m (1984 - £14.5m).

## 12 CONTINGENT LIABILITIES

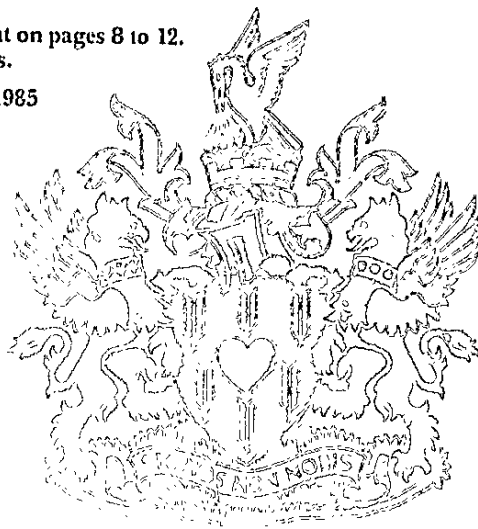
At the year end there were contingent liabilities for uncalled capital on investments in a subsidiary and another company amounting to £0.6m (1984 - £0.8m).

## REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the accounts of The Equitable Life Assurance Society set out on pages 8 to 12. Our audit has been carried out in accordance with approved auditing standards.

In our opinion the accounts comply with the provisions of the Companies Act 1985 applicable to insurance companies.

Ernst & Whinney, Chartered Accountants  
London  
26 March 1986



# Executive Responsibilities

<b>General Manager &amp; Actuary</b>		E B O Sherlock MA FIA
<b>Accounting, Pension &amp; Policy Administration</b>		
Assistant General Manager & Secretary		R Q Bowley MA FIA
Senior Executives		R J Malpass <i>Group Pensions Administration Manager</i> A C Probert FCA <i>Deputy Accountant</i> R A Smith FCA <i>Accountant</i>
Executives		P N Avery BSc <i>Individual Pensions Administration Manager</i> I B Lloyd <i>Proposals Servicing Manager</i> R J D Peacock BSc FIA <i>Group Pensions Services Manager</i> I Richardson <i>Proposals Developments Manager</i> P W Wilmot BSc FCII <i>Assistant Secretary</i>
<b>Actuarial &amp; Technical Services</b>		
Assistant General Manager & Joint Actuary		R H Ranson MA FIA FPMI
Senior Executive		D B Sammons FIA <i>Deputy Actuary</i>
Executives		M C Daniel <i>Technical Manager</i> D G Driscoll BA <i>Valuation Manager</i> A B Dunbar MA FIA <i>Assistant Actuary</i> J P Headdon MA FIA <i>Assistant Actuary</i> G Mitchell BSc <i>Actuarial Control Manager</i> M C Richmond BA FIA <i>Pensions Technical Manager</i> N W Whittome LLB FCII <i>Barrister Legal Services Manager</i>
<b>Investment</b>		
Assistant General Manager		D G Thomas BSc FIA
Senior Executive		C L Winter FRICS <i>Chief Surveyor</i>
Executives		P R Batz BSc ARICS <i>Property Management Surveyor</i> C E Duddridge ASIA ASCA <i>Investment Manager</i> J M G Hamilton-Sharp ASIA <i>Investment Manager</i> G R Lauder FRICS <i>Surveyor</i> E A Maddock BSc FIA ASIA <i>Investment Manager</i> P D Shore <i>Investment Manager</i>
<b>Staff and Management Services</b>		
Assistant General Manager		A Nash MSc FIA
Senior Executives		R V Farmer BA FIPM MIFD <i>Staff Manager</i> B G Guest MBCS <i>Management Services Manager</i>
Executives		R A Christopher <i>Management Development Manager</i> H N Large <i>Systems Manager</i> S W Lockyer BSc MBCS <i>Systems and Programming Manager</i>
<b>The Marketing Organisation and Office Services</b>		
Assistant General Manager		K B Wills
Senior Executives		W R Kidd <i>Regional Manager</i> S M Kinnis <i>Regional Manager</i> F R Loft <i>Office Services Manager</i> M MacGormack BA ACII <i>Marketing Developments Manager</i>
Executive		J N Lusher <i>Marketing Training Manager</i>

# The Society's Offices

## HEAD OFFICE

4 Coleman Street  
London EC2R 5AP

01-606 6611

## CHIEF ADMINISTRATIVE OFFICE

Walton Street  
Aylesbury Bucks HP21 7QW

Aylesbury  
33100

## BRANCH OFFICES

Aylesbury  
Walton Street  
Aylesbury Bucks HP21 7PA  
Manager W P Richards ACII  
Aylesbury 34721

Birmingham (North)  
35 Waterloo Street  
Birmingham B2 5TJ  
Manager J A Laurant-Lewis MSc BSc CEng  
021-233 3166

Birmingham (South)  
3 Colmore Row  
Birmingham B5 2BJ  
Manager N A H Stubbs  
021-236 7393

Brighton  
21-33 Dyke Road  
Brighton  
East Sussex BN1 3FL  
Manager D Adams  
Brighton 24501

Bristol  
113 Redcliff Street  
Bristol BS1 6NP  
Manager J F Tappenden  
Bristol 290515

Cambridge  
2 Mount Pleasant  
Cambridge CB3 0BL  
Manager J W Barker  
Cambridge 352703

Chelmsford  
29 New Street  
Chelmsford Essex CM1 1RB  
Manager W R H Palmer  
Chelmsford 359444

City  
18 Mansell Street  
London E1 8AA  
Manager G P Ryan  
01-478 4545

Epsom  
32 West Hill  
Epsom Surrey KT19 8JD  
Manager J M Weller  
Epsom 24661

Exeter  
31-42 Southernhay East  
Exeter EX1 1NS  
Manager W F Kuhl  
Exeter 32135

Guildford  
1 Milkhouse Gate  
Guildford GU1 3EZ  
Manager T Thorne  
Guildford 506755

Leeds  
Cloth Hall Court  
Infirmary Street  
Leeds LS1 2HT  
Manager T J Horen BA AIB  
Leeds 458458

Liverpool  
Churchill House  
Tithebarn Street  
Liverpool L2 2PB  
Manager D G Hughes  
051-236 1825

Maidstone  
22-24 Albion Place  
Maidstone ME14 5DZ  
Manager A B Newley  
Maidstone 61537

Manchester  
32 Booth Street  
Manchester M2 4AB  
Manager L Jowsey BA  
051-236 4384

Newcastle  
75-85 Grey Street  
Newcastle-upon-Tyne  
NE1 6EF  
Manager J H Mainwaring ACII  
Newcastle 327227

North London  
4 Harley Street  
London W1N 1AA  
Manager I B Scott  
01-631 4040

Northern Ireland  
17-25 College Square East  
Belfast BT1 6DE  
Manager J G Parkhill  
Belfast 243401

Nottingham  
18 The Ropewalk  
Nottingham NG1 5EE  
Manager R H Appleby  
Nottingham 476291

St Albans  
103 St Peter's Street  
St Albans Herts AL1 3EN  
Manager N C Poulton  
St Albans 31131

Scotland  
35-39 St Vincent Place  
Glasgow G1 2ER  
Manager D A MacKeehnie  
041-248 6996

Sheffield  
Orchard Lane Wing  
The Fountain Precinct  
Balm Green  
Sheffield S1 2JA  
Manager P J Harper  
Sheffield 750051

South Wales  
Hastings House  
Fitzalan Court  
Fitzalan Road  
Cardiff CF2 1BL  
Manager A J Castle  
Cardiff 454242

Southampton  
5 Cumberland Place  
Southampton SO9 2GY  
Manager L Meakin  
Southampton 36226

West London  
Southside  
105 Victoria Street  
London SW1E 6QQ  
Manager A S Coombes  
01-630 1320

Windsor  
27 Sheet Street  
Windsor SL4 1BY  
Manager A J Brodley  
Windsor 853545

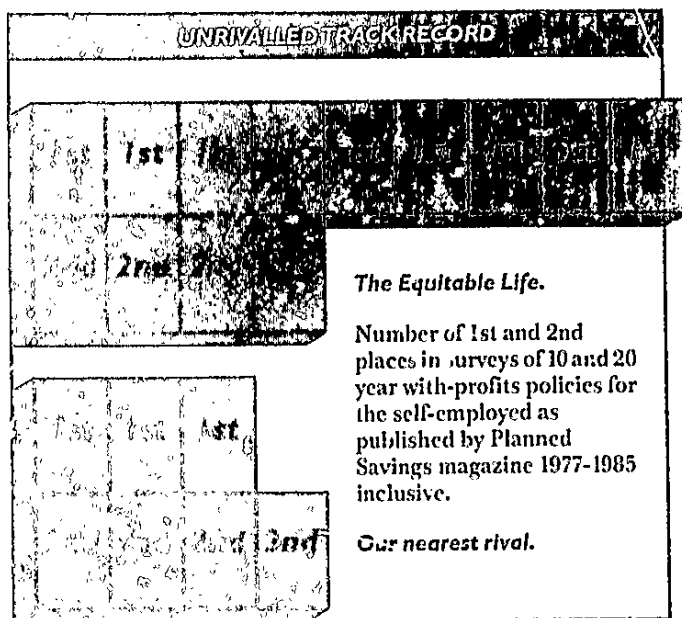


## Range of Policies — with profits

The Society's extensive range of with-profits policies provides an attractive way of saving for many different purposes. Whether it is to repay a mortgage, ensure financial security in retirement, provide school fees, or simply to create a fund of money for whatever purpose may arise in the future, there is an Equitable plan to meet the need.

Our Flexible Savings Plan, for example, requires no pre-set savings period. If money is known to be required at a specific time, our endowment policies have a high reputation for investment value.

The Society's track record of benefits paid under with-profits pension plans for directors, executives and the self-employed is remarkable and places us among the leaders in the provision of such policies. For example, in the survey of 10 year regular premium with-profits pension plans for directors, executives and other employees by the financial magazine *Planned Savings*, The Equitable has come first more often than any other company.



## Range of Policies – unit-linked

The Society has a comprehensive range of unit-linked policies designed to meet a variety of financial needs through 10 investment funds. Investors can choose a single fund or specify the proportion of money to be allotted to different funds.

If you would prefer our investment managers to select the type of investment and to look after your fund year-by-year, our Managed Fund will be the answer.

For those who wish to save regularly, our Unit-Linked Savings Plan offers an ideal way of gaining substantial financial benefits from a growing investment portfolio.


Lump sums can be invested via a Bond, which provides a facility to switch from one investment fund to another, allows a tax-free income to be taken, and can be written under trust.

Also available are unit-linked retirement policies for executives and directors as well as the self-employed and those not in pensionable employment.


Unlike so many other companies, The Equitable's new personal pension plans do not have heavy front-end policy charges in addition to the normal management charges on underlying investment funds; nor do they have 'capital' or 'initial' units which have high annual fund charges levied on them throughout their existence.

Practically every other company's charges for regular contribution unit-linked retirement policies limit the amount invested – as this diagram indicates.

**NO POLICY CHARGES**



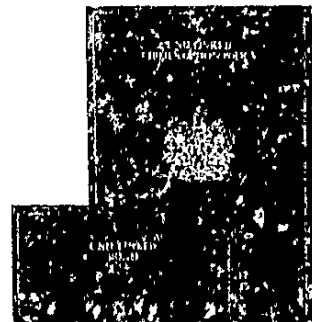
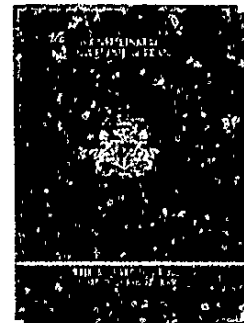
With The Equitable, 100% is invested right away. We do not use capital units and there are Bonus Units for regular savers. No other company offers this combination of benefits.



Almost every other company's charges under regular contribution unit-linked policies will, in effect, cut your investment by 50% in the first year, or in some cases, by as much as 50% in each of the first two years. They may do that through low allocation, or through capital or initial units - units with especially heavy charges year on year.

### RANGE OF UNIT-LINKED FUNDS

<i>Managed Fund</i>	<i>Equitable Pelican Fund</i>
<i>Property</i>	<i>North American Fund</i>
<i>Money Fund</i>	<i>Far Eastern Fund</i>
<i>Special Situations Fund</i>	<i>Gilt &amp; Fixed Interest Fund</i>
<i>High Income Fund</i>	<i>Fund of Investment Trusts</i>



## Our range of unit trusts and special services

### RANGE OF UNIT TRUSTS

<b>Pelican Trust</b>	<b>High Income Trust</b>
<b>North American Trust</b>	<b>Gift &amp; Fixed Interest Trust</b>
<b>Far Eastern Trust</b>	<b>Special Situations Trusts</b>
<b>Trust of Investment Trusts</b>	



### UNIT TRUSTS

Currently, there are seven unit trusts available to investors through our wholly owned subsidiary Equitable Units Administration Limited.

These seven trusts enable investors to choose specialised sectors and different markets worldwide. At the end of 1985, the total amount invested in that range of trusts was more than £70M.

Investing in equities via unit trusts has considerable merit. Investors with relatively small amounts of money are able to spread their investment, and therefore their risk, amongst many companies' shares. They also take advantage of the investment skills of professional investment managers, as well as significantly reduce the administrative burden associated with buying and selling shares privately.

A unit trust has particular advantages for those considering investing in overseas markets where dealing costs and problems of administration are magnified.

For those who wish to make large purchases of units discounts are available, and our regular savings plan provides bonus units in the fourth and subsequent years.

Units may be purchased, and the regular savings plan arranged, through any Equitable Life branch, or through Equitable Units Administration, 35 Fountain Street, Manchester, M2 2AF, telephone 01-236 5685.

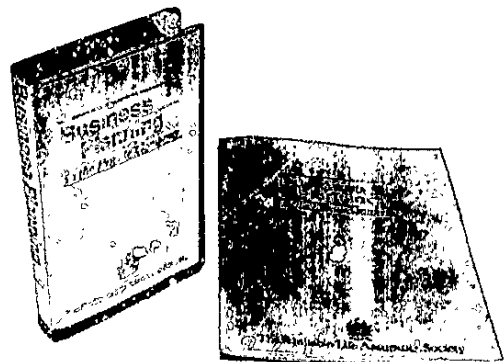


### SCHOOL FEES

We also have a School Fees Trust Plan through which The Equitable Charitable Trust effects policies with The Equitable Life. The Trust enjoys tax-free status and contributions as premiums purchase policies backed by funds which themselves enjoy freedom from income tax and capital gains tax.

### FINANCIAL PLANNING

The Society is able to offer a comprehensive Financial Planning Service which specialises in more complex financial matters both of a corporate and private nature. This service also gives advice to partnerships in order that the possible adverse financial effect of events, such as the death or retirement of a partner, may be countered. Our video film on 'Business Planning', which deals with the financial problems of private businesses, is available for loan.



### TRANSFER PLAN

Should you leave a company and have the right to a deferred pension, then our Transfer Plan could be the means for you to increase your retirement benefits significantly.

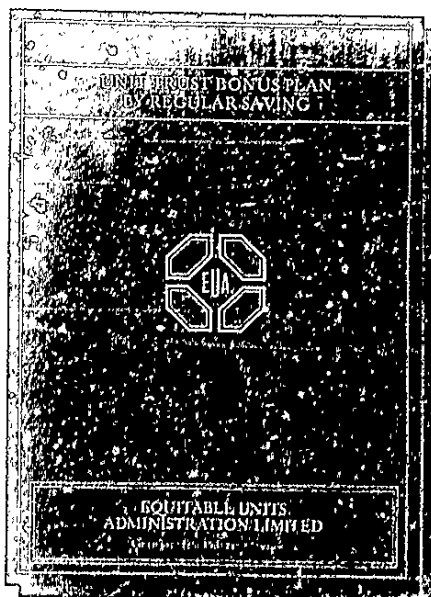
### ADDITIONAL VOLUNTARY CONTRIBUTION PLANS

We are the biggest provider of group pension Additional Voluntary Contribution plans in the country. More than 1000 companies, many household names and of international size, have their AVC's with us.

### HOUSE PURCHASE AND OTHER SERVICES

For those wishing to buy their own home, the Society is able to arrange mortgages from various highly regarded sources at competitive rates of interest. This service is handled by our branch staff as is 'key man' insurance, and group pension schemes whether of a 'final salary' or 'money purchase' type.

## Unit trust bonus plan



For those who do not have a large capital sum this plan offers the opportunity of investing in the stock markets of the world by means of regular monthly savings.

The Unit Trust Bonus Plan enables a wide portfolio of investments to be acquired as there are seven unit trusts from which to choose.

Additionally, savers are able to reduce their risk by having investments spread amongst many shares or securities, while the attention of the professional skills of The Equitable's investment team will certainly enhance the opportunity for long-term financial reward.

A special feature of saving via regular monthly contributions is the advantage gained when unit prices fluctuate, as they most probably will over the years. This is simply because a contribution buys more units should the price have dropped, and so there will be more units to one's credit when calculating the maturity value — an obvious advantage if the price has risen.

An unusual feature of this savings plan is that in the fourth and subsequent years, bonus units are allocated. Rising from  $\frac{3}{4}\%$  in the fourth year and  $1\frac{1}{2}\%$  in the fifth year to 2% in the sixth and subsequent years.

This is an excellent way for a parent, or other relative, to create a fund for children.

# Ignoring this advertisement could cut your pension in half.

When it comes to their pension, many otherwise shrewd people make decisions which defy common sense.

Not that it's easy to decide how to get the best results from the pension you may be planning to arrange.

For a start you have to identify the company with policies flexible enough to meet your needs.

**MAXIMUM FLEXIBILITY**  
Contributions can be varied

What happens if you retire early?

And you must be sure there is a broad range of investment options.

**WIDE CHOICE**

✓ Managed Fund	✓ North American Fund
✓ Property Fund	✓ Far Eastern Fund
✓ Liberty Fund	✓ UK & Overseas Fund
✓ Special Situations Fund	✓ Fund of Investment Funds
✓ High Income Fund	✓ With profits plan
✓ Equitable Premium Fund	

Next, you must satisfy yourself you won't be pouring money, year after year, into a company which will pay out a fraction of what could have been achieved elsewhere.

Of course the past cannot guarantee the future, but you must be certain the company's policies have a record of delivering outstanding performance.

**UNRIVALLED TRACK RECORD**

**The Equitable Life.**  
Established in 1803, it has a long and successful record. It is the only company to have been awarded the highest award for 10 years running (1973-1982).

**Our nearest rival.**

**TOP PAYOUT**

**The Equitable** £71,142  
**Average** £59,222  
**Worst Company** £21,576

Personal pension fund from 20 year with profits policy, annual premium of £500, as published by Pensions Savings November 1985. Figures refer to self-employed managed 65 retiring 1st September 1985.

You may want to bear in mind that The Equitable Life is unusual in not paying commission to brokers or other middlemen.

Which is why these people may be reluctant to recommend The Equitable.

So you'd be wise to make sure you get some figures from us.

**NO MIDDLEMEN**

**The Equitable**  
Your money 100% into The Equitable  
Most companies  
Your money Middlemen takes slice As little as 5% is needed in first year

What's more, unlike most companies, we invest every penny of your unit-linked contributions. We have no policy charges and we don't use capital or initial units with high annual fund charges.

**NO POLICY CHARGES**

**The Equitable**  
With The Equitable 100% is invested right away. We do not use capital or units and there are no policy charges. No other company offers this combination of benefits.

**Other companies**  
Almost every other company's charge under regular contributions unduly reduces policy effectiveness. If you invest £100 in the first year, you may lose £10 in the first year, or even the first two years. They may do that through low discounts on personal capital or initial units, units with unusually heavy charges year on year.

In all respects, you'll find that The Equitable's efforts on behalf of policy holders consistently give unrivalled results.

One reason is that, unlike most of our competitors, there are no shareholders to nibble away at the profits.

And, as the oldest mutual life office in the world, which first put into practice the sound actuarial principles all other life offices have copied, we have a reputation for innovation and fairness to live up to.

**THE WORLD'S FIRST**

FOUNDED 1762

The result is that The Equitable now has funds under management totalling over £2,000 million.

Our standing with those professionally concerned with pensions is demonstrated by our record of success with Additional Voluntary Contribution (AVC) schemes which companies set up for their staff.

**No. 1 IN A.V.C. PREMIUM INCOME**

**The Equitable Life** £28.8m  
No. 2 Life Company £13.0m  
No. 3 Life Company £8.0m  
No. 4 Life Company £4.0m

We have more Additional Voluntary Contribution Schemes than any other life company. And these schemes bring us more than twice the premium income - our nearest competitor.

We admit that deciding which pensions company to go to is difficult.

But remember that your choice can mean the difference between tightening your belt when you retire, or continuing to enjoy a high standard of living. Examine the evidence of this advertisement carefully.

We're certain you'll find there is no company that can offer you as much as The Equitable Life.

So, for the best in pensions, write to The Equitable Life, FREEPOST, 4 Coleman Street, London EC2B 2JT or call us direct on 01-606 6611.



**The Equitable Life**  
You gain because we're different.

*The Society's corporate advertisement which appeared in major national newspapers during the Spring of this year and which illustrated why we hold a leading position in the United Kingdom's pension market.*